



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2017 Biennium

<b>Bill #</b>	SB0136	<b>Title:</b>	Generally revise hazardous waste fees
<b>Primary Sponsor:</b>	Hamlett, Bradley	<b>Status:</b>	As Introduced

- ☐ Significant Local Gov Impact
 ☐ Needs to be included in HB 2
 ☒ Technical Concerns
- ☐ Included in the Executive Budget
 ☒ Significant Long-Term Impacts
 ☐ Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<b>Expenditures:</b>					
General Fund	\$0	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0	\$0
<b>Revenue:</b>					
General Fund	\$0	\$0	\$0	\$0	\$0
State Special Revenue	(\$161,616)	(\$161,616)	(\$161,616)	(\$161,616)	(\$161,616)
<b>Net Impact-General Fund Balance</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### Description of fiscal impact:

SB 136 proposes a new cap of \$25,000 for remediation waste which would reduce the revenue currently generated by the Hazardous Waste Program by \$161,616 starting in FY 2015.

### FISCAL ANALYSIS

#### Assumptions:

1. The proposed fee cap of \$25,000 applies annually to each facility and is not a one-time aggregate per facility cap.
2. Hazardous waste generation and the fees associated are inconsistent from year to year, so a five year average was used (ranging from 654 to 32,795 tons per year), averaging 9,800 tons of remediation waste per year.
3. The current rate of \$20.00 per ton was applied to all fee calculations.
4. The average number of facilities that exceed the new cap of \$25,000 is .80 (four facilities in five years) and produced 9,080 tons of remediation waste.
5. With the effective date in the bill, and retroactive applicability, an average loss of revenue of \$161,616 per year will be realized beginning in FY 2015.

6. Fees are collected on prior year activity. Thus, FY 2015 fee collection will encompass the retroactive applicability of the bill.

	2010	2011	2012	2013	2014	5 Year Average
Remediation Waste Tons	32,795.00	1,149.00	654.30	13,519.80	880.80	9,800.00
Rate per Ton	20.00	20.00	20.00	20.00	20.00	20.00
Facilities Exceeding \$25,000 cap	3.00	-	-	1.00	-	0.80
Tons Exceeding Cap	32,643.00	-	-	12,761.00	-	9,080.00
Revenue w/o Cap	655,900.00	22,980.00	13,086.00	270,396.00	17,616.00	195,995.60
Revenue with Cap	78,040.00	22,980.00	13,086.00	40,176.00	17,616.00	34,379.60
<b>Difference</b>	<b>(577,860.00)</b>	<b>-</b>	<b>-</b>	<b>(230,220.00)</b>	<b>-</b>	<b>(161,616.00)</b>

	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<b><u>Fiscal Impact:</u></b>					
TOTAL Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Funding of Expenditures:</u></b>					
TOTAL Funding of Exp.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Revenues:</u></b>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$161,616)	(\$161,616)	(\$161,616)	(\$161,616)	(\$161,616)
<b>TOTAL Revenues</b>	<u>(\$161,616)</u>	<u>(\$161,616)</u>	<u>(\$161,616)</u>	<u>(\$161,616)</u>	<u>(\$161,616)</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$161,616)	(\$161,616)	(\$161,616)	(\$161,616)	(\$161,616)

**Long-Term Impacts:**

1. The Department of Environmental Quality would not be able to absorb this loss of revenue without a reduction to staff and/or services provided by the Hazardous Waste Program.

**Technical Notes:**

1. A registration fee is imposed on each facility every year. The fee cap language can be read to impose a one-time aggregate cap of \$25,000 per facility or site, or it can be read to impose a cap of \$25,000 for each fee assessed—i.e. a cap of \$25,000 per year. An amendment would eliminate this ambiguity.

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*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*